



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

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October 2005

To the Residents of Central and Southern Florida:

The South Florida Water Management District respectfully submits its annual budget for Fiscal Year 2005-2006 as approved by the Governor of the State of Florida in accordance with section 373.536, Florida Statutes.

The agency has made a strategic commitment to expedite the completion of projects in order to achieve beneficial results faster. Recognizing that land values and construction costs continue to soar, the priorities identified in this document reflect the urgency and benefits of putting plans into action as quickly as possible.

To accelerate Everglades restoration efforts and take advantage of favorable financial conditions, the District plans to borrow funds for construction of Acceler8 projects. As a result, the agency's budget has now surpassed the \$1 billion mark. As the organization's budget becomes comparable to corporate America's "Fortune 500" companies, we continue to place even greater emphasis on project management, accountability and strong financial controls.

This budget is funded from a variety of revenue sources, with only 42 percent of the total budget coming from taxes on property-owners. State and federal revenues, loan proceeds, permit fees, the Everglades agricultural privilege tax and other sources make up the remaining 58 percent.

Budget Development Issues and Constraints

A primary goal of this year's budget development process was to ensure effective allocation of fiscal resources and staff to activities that accomplish the District's highest priorities, while keeping within existing millage rates.

The Governing Board and staff of the South Florida Water Management District take great pride in the fact that the agency has successfully served the region without an increase in its ad valorem property tax rate since 1998 – even as the population continues to grow at a rapid pace. This accomplishment is particularly noteworthy as two back-to-back active hurricane seasons have taken its toll on the region and caused considerable damage to District infrastructure.

In addition to holding the line on tax rates, the Governing Board's budget development guidelines directed the agency to maintain current staffing levels. This directive requires the District to remain committed to its continued emphasis on improving efficiency, accountability and project management.

Contingency planning and implementing those plans when emergencies arise has allowed the District to proceed with key activities despite the impacts of this summer's hurricanes. The annual strategic business cycle developed last year allows us to keep our focus on long-term goals, while acknowledging that existing and proposed resources may need to be reallocated from time to time to ensure that the most important initiatives continue to move forward.

GOVERNING BOARD

Kevin McCarty, *Chair*
Irela M. Baguê, *Vice-Chair*
Pamela Brooks-Thomas

Alice J. Carlson
Michael Collins
Nicolás J. Gutiérrez, Jr., *Esq.*

Lennart E. Lindahl, *P.E.*
Harkley R. Thornton
Malcolm S. Wade, *Jr.*

EXECUTIVE OFFICE

Carol Ann Wehle, *Executive Director*

Expediting restoration projects, refurbishing the aging water management system, and meeting the requirements of a new state law regarding water supply, presents unique challenges and opportunities. To help carry out our broad mission and mandates, the District is working to develop, strengthen and leverage partnerships with other governments, educational institutions, and private entities. This course of action will serve to stretch resources, achieve common goals and contribute to economic development.

In approving the FY2006 budget, Florida Governor Jeb Bush wrote:

Maintaining moderate growth in administrative and operational activities will allow the District to dedicate growth in ad valorem revenue to critical infrastructure projects while minimizing debt. Along those lines, I am encouraged by the District's effort to align new employees with the District's greatest needs. To prevent the need for future increases in fees and taxes, the District should continue to identify efficiencies in their business processes.

Actions taken to Address Issues

Utilizing the 4-component business cycle (Strategic Plan; Annual Work Plan; Annual Budget; and Reporting/Evaluation), the Governing Board reviewed the reports from the previous year and updated the 10-year Strategic Plan to more accurately reflect the commitment to accelerating the implementation of projects. For FY2006, the identified priorities are:

- Expedite construction and operation of Everglades restoration projects through Acceler8
- Achieve Everglades water quality standards
- Acquire land for Kissimmee River restoration
- Reduce phosphorus inputs to Lake Okeechobee
- Refurbish the regional water management system
- Implement key Water Supply Plan recommendations to meet current and future demands
- Continue to recognize the value of employees

In turn, the District formulated its annual Work Plan – in essence, a one-year “slice” of our 10-year planning horizon. This work plan then became the basis for FY2006 budget development. Project resource requests were evaluated by their “achievability” within the fiscal year and how well they relate to the projects included in the Work Plan. This annual cycle ensures the connection between high-level strategic direction and actual activity for a given year. This process enables the District to focus financial and human resources on the agency’s most important work efforts.

In support of the agency's on-going commitment to become even more results-oriented and project-driven, the District has successfully laid the foundation and built the framework for a new enterprise-wide business management system that will become operational this year. Integrating and upgrading our business and project management processes is critical to our continued success. A stronger emphasis has also been placed on reducing the amount of carry-over encumbrances from year to year. This concept stresses accountability for all levels of management to be more conscientious in the implementation of completing projects, more efficient in the utilization of financial resources, and tighter compliance with project management principles.

To further stretch limited resources, the agency has turned to the private sector as a key partner in completing its mission. Contracting/outsourcing projects allows the District to continue progress toward achieving its goals without disruption in ongoing services. In addition, this

course of action enables the District to support economic growth in the private sector throughout central and south Florida.

FY2006 Budget Highlights

Some internal restructuring took place this year and is reflected in this budget. The Modeling and Scientific Support Program, new for FY2006, was created to centralize the agency's computer modeling, water quality monitoring and assessment support functions. Also, to ensure the successful implementation of the Comprehensive Everglades Restoration Plan (CERP) and the Acceler8 program, the District elevated CERP to the Resource Area level within the organization.

This budget significantly exceeds our annual commitment to match the State of Florida's \$100 million funding for Everglades restoration. Stepping up the pace on Acceler8's key restoration projects will be accomplished in part by using ad valorem funds and short-term borrowing until the issuance of Certificates of Participation (COPS) in the fall. In total, the funds earmarked for Everglades-related activities accounts for nearly half of the entire budget.

To help stave off skyrocketing real estate and construction costs, the District will continue to aggressively pursue the acquisition of lands needed for water management projects.

Another major focus for FY2006 will be the construction of Lake Okeechobee "Fast Track" projects north of the lake – along with other interagency initiatives – to help speed the recovery of the lake and downstream coastal estuaries. The heavy rains and wind-action from the hurricane seasons of 2004 and 2005 continue to impact the ecological health of these water bodies.

On the water supply side, Senate Bill 444 (new for FY2006) requires the District to match the state appropriation of \$30 million for Alternative Water Supply (AWS) dollar for dollar from ad valorem revenue without raising millage rates. To implement this new mandate, the District worked with local governments to identify qualified projects for inclusion in our regional Water Supply Plans and redirected ad valorem funds to meet this new initiative.

While significant progress has already been made, the water management and ecosystem restoration challenges facing South Florida will continue to require a tremendous commitment to future funding. As land prices and cost-of-business expenses continue to escalate, the District is committed to pursuing alternative revenue sources and working cooperatively with its federal, state and local partners to leverage existing resources and to identify other funding options to help address the myriad of water resource challenges that lie ahead.

Sincerely,



Carol Ann Wehle
Executive Director

District Overview

History

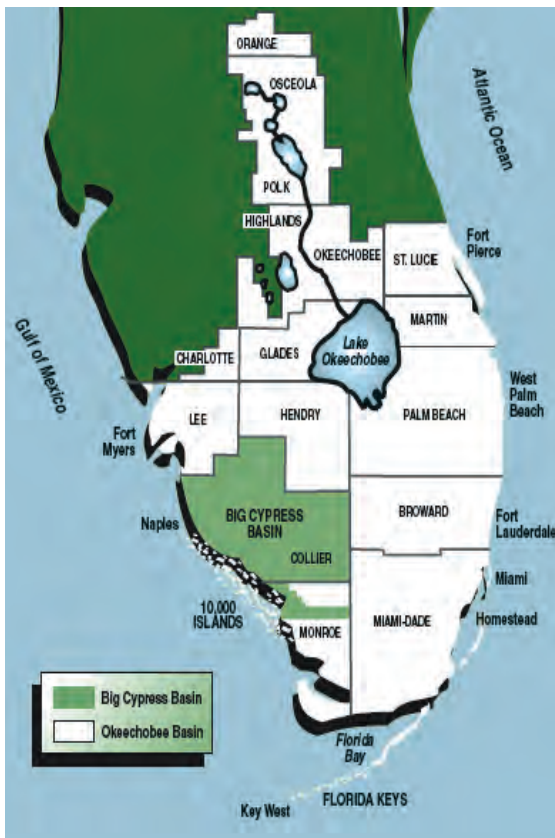
In 1948, the U.S. Congress adopted legislation creating the *Central and Southern Florida Flood Control Project* (C&SF), which constituted the beginning of organized water management efforts in South Florida. This legislation was spurred by efforts to populate the "new frontier" that was South Florida, and to address the region's subtropical weather extremes, which include hurricanes, floods and drought. The C&SF's primary goals were to serve the needs of growing agricultural and urban populations, and to protect and manage water resources. To address the C&SF's goals, the U.S. Army Corps of Engineers (USACE) built a vast network of water control structures, levees, canals and other improved waterways, designed to help the region cope with its unpredictable weather extremes.

In 1949, the Florida Legislature created the *Central and Southern Florida Flood Control District* (FCD) to act as the local sponsor for the C&SF. Its function was to operate and maintain the water control network with funding from property taxes levied within District boundaries. Then, in 1972, the Florida Water Resources Act was passed triggering a significant change in the state's approach to natural resource management. The new legislation created five regional water management districts and expanded the responsibilities of the existing FCD as greater emphasis was placed on water quality and environmental protection initiatives.

In 1976, the FCD was renamed as the *South Florida Water Management District* (District) and its boundaries were redefined.

Boundaries

District boundaries are based on natural, hydrogeologic basins, rather than political or county limits, to allow for effective and efficient water planning and management. The boundaries of the District encompass all or part* of 16 counties, covering a total area of 17,930 square miles, spanning from Orlando to Key West (see map). Approximately 7.3 million people live within the District's boundaries.



Counties within the District

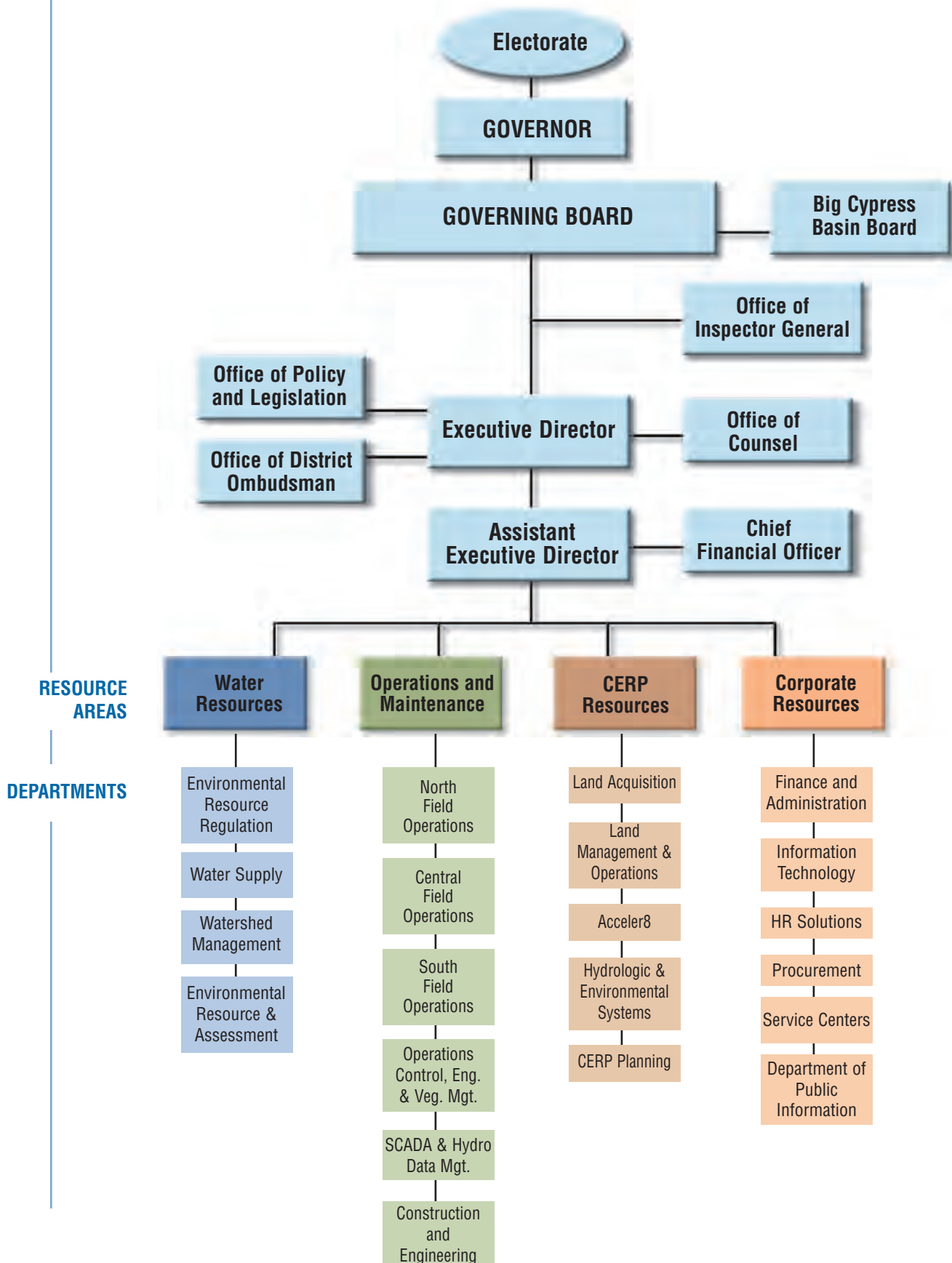
Broward	*Charlotte	Collier	Glades
Hendry	*Highlands	Lee	Martin
Miami-Dade	Monroe	*Orange	*Osceola
*Okeechobee	Palm Beach	*Polk	St. Lucie

There are two primary basins contained within the District's boundaries – the Okeechobee Basin and the Big Cypress Basin. The Okeechobee Basin is based on the sprawling Kissimmee-Okeechobee-Everglades (KOE) ecosystem, which stretches from Central Florida's Kissimmee Chain of Lakes to Lake Okeechobee, south to the Florida Keys. It also includes 700,000 acres in the Everglades Agricultural Area, the heavily developed southeast coast, and the Everglades National Park. Big Cypress Basin includes all of Collier and part of Monroe counties, the Big Cypress National Preserve and the 10,000 Islands.

Since 1949, the District has grown into a multi-faceted agency. The primary water-resource-related issues addressed by the District now include: flood and water supply protection, water quality enhancement for urban and rural use, restoration and management of the region's natural ecosystems.

Organization

South Florida Water Management District FY2006 organization structure as of October 1, 2005



Governing Board

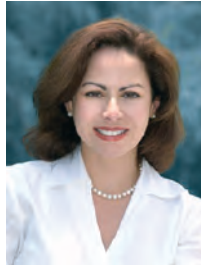
The Governing Board sets policy and direction for the District, Big Cypress Basin and Okeechobee Basin. Board members typically serve for a four year term without salary, representing the interests of specific geographic areas within the District's jurisdiction.

The Board is comprised of nine individuals, each appointed by Florida's Governor and confirmed by the state senate. Appointments are made as vacancies occur. Officers, including Chairman and Vice Chair, are elected by the members of the Board.



Kevin McCarty
Chairman

County Served:
Palm Beach
Term:
March 2003–March 2007



Irela Bagué
Vice Chair

County Served:
Miami-Dade
Term:
March 2003–March 2007



Pamela D. Brooks-Thomas

County Served:
Broward
Term:
March 2002–March 2006



Alice J. Carlson

Counties Served:
Collier, Lee, Hendry, Charlotte
Term:
March 2005–March 2007



Michael Collins

Counties Served:
St. Lucie, Martin, Palm Beach, Broward, Miami-Dade and Monroe
Term:
March 2002–March 2006



Nicolás J. Gutiérrez, Jr., Esq.

County Served:
Miami-Dade
Term:
March 2004–February 2008



Lennart E. Lindahl, P.E.

Counties Served:
St. Lucie, Martin, Palm Beach, Broward, Miami-Dade and Monroe
Term:
March 2005–March 2009



Harkley R. Thornton

Counties Served:
Glades, Highlands, Okeechobee, Orange, Osceola and Polk
Term:
March 2004–February 2008



Malcolm S. Wade, Jr.

Counties Served:
Collier, Lee, Charlotte, Hendry, Glades, Osceola, Okeechobee
Term:
March 2005–March 2009

Executive Management

The District's Governing Board is responsible for appointing the Executive Director and Inspector General. The Florida senate confirms the Executive Director's appointment.



Carol Ann Wehle
Executive Director

Carol Ann Wehle was appointed Executive Director effective June 2005. As head of the state's largest regional water management agency, she oversees a staff of 1,771 and a budget of \$1.1 billion. Prior to this appointment, Ms. Wehle served as the District's Assistant Executive Director for two years. A civil engineer with extensive public and private sector water resource knowledge, Ms. Wehle is a frequent keynote speaker and panelist.



Thomas W. Olliff
Assistant
Executive Director

Tom Olliff was named Assistant Executive Director effective June 1, 2005. In this key position, Mr. Olliff serves as the agency's chief operating officer and is responsible for decision making in the Executive Director's absence. Additionally, he chairs the District Leadership Team which addresses the overarching management issues and strategies of the organization. Formerly, as the Deputy Executive Director for Corporate Resources, Mr. Olliff managed the District's internal business functions.

Deputy Executive Directors

District Deputy Executive Directors (DEDs) work closely with Executive Management to develop the agency's Annual Work Plan. DEDs coordinate implementation of strategic initiatives and policy directives within and across District Resource Areas. Integral to ongoing strategic plan development, each DED supports the action plans and performance measurement for designated Programs within their Resource Area.



Chip Merriam
Water Resources



George L. Horne
Operations and Maintenance



Kenneth G. Ammon
CERP Resources



Sandra Close Turnquest
Corporate Resources

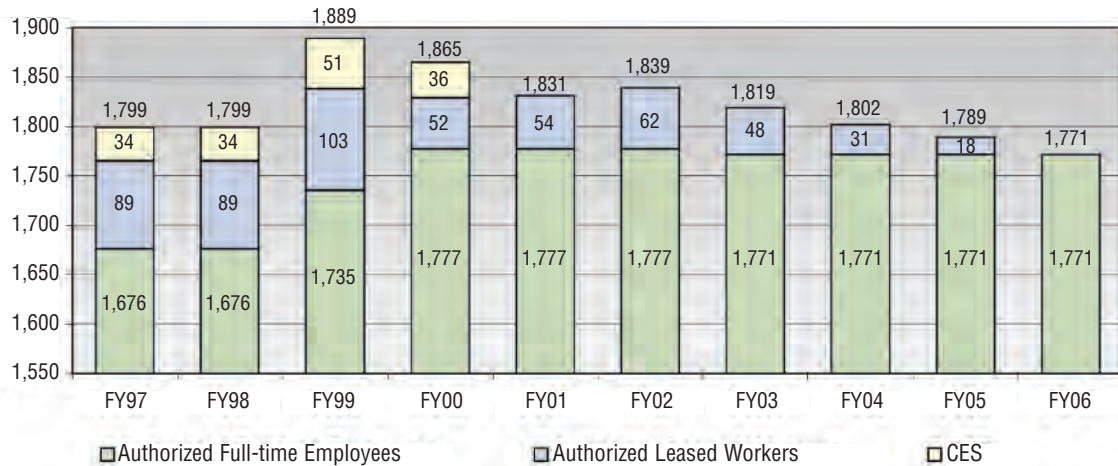
District Personnel

The District's most valuable resources are the men and women employed with the agency. Management strives to attract and retain employees dedicated to the mission, vision and values set forth by the District to effectively achieve stated goals as efficiently as possible.

Total District Staffing

Full-Time Equivalent positions have remained constant for the last three years. However, over the past decade, the District's staffing levels have actually decreased. Leased or part-time workers have decreased from a high of 103 positions in FY1999 to no positions for FY2006 because some activities previously supported by leased employees are now outsourced.

The following graph depicts changes in total District staffing over ten years.



Personnel by Program

Although the following table displays position totals for each program, employees may move between programs to satisfy District priority needs or Work Plan adjustments as they occur.

Program	FY2004 Positions		FY2005 Positions		FY2006 Positions	
	FTE	Lease*	FTE	Lease	FTE	Lease
WATER RESOURCES						
District Everglades	182	5	180	5	148	-
Water Supply	76	1	70	1	68	-
Kissimmee Restoration	46	3	45	1	39	-
Regulation	180	-	186	-	181	-
Lake Okeechobee	46	5	55	5	36	-
Coastal Watersheds	29	2	38	1	41	-
Modeling and Scientific Support	-	-	-	-	99	-
OPERATIONS & MAINTENANCE RESOURCES						
Operations & Maintenance	570	-	569	-	570	-
CERP RESOURCES						
Land Stewardship	56	-	52	-	51	-
Comprehensive Everglades Restoration Plan	169	13	158	5	122	-
CORPORATE RESOURCES						
Mission Support	417	2	418	-	416	-
Total	1,771	31	1,771	18	1,771	-

* Note: "Lease" positions represent leasing-agency employees who perform project-specific tasks of limited duration. The Lease columns represent only leasing-agency employees but do not include other contractors employed by the District.

Personnel Changes

For FY2006, the District's Full-Time Equivalent (FTE) staffing level remained at 1,771. This total is equivalent to the FY2004 and FY2005 FTE personnel count. The District Personnel by Program Chart indicates changes in allocation of personnel within and across the District's Resource Areas at the program level. There are no leased positions budgeted for FY2006.

FY2006 staffing level changes were primarily due to reallocation of program positions within the District. Notable FTE variances and rationale are provided below:

For FY2006, 99 District positions were allocated to the newly created Modeling and Scientific Support Program. This program centralizes two major District-wide functions: Computer Modeling and Scientific Support for water quality monitoring and assessment operations. Since the functions now located within this program were performed by existing staff assigned to various other programs in FY2005, no increase in District personnel was required to accommodate the new Program. The rationale for reallocation of existing positions to Modeling and Scientific Support is better representation of functions.

Five Regulation, 19 Lake Okeechobee, and 2 Mission Support program positions were reallocated to Modeling and Scientific Support. This fully accounts for all FTE positions redirected from each of these specific District programs.

A 32 net reduction in personnel allocated to the District Everglades program is primarily due to reassignment of 22 FTEs to the District's newly created Modeling and Scientific Support program. And, the Monitoring & Assessment program element was eliminated for FY2006.

The Comprehensive Everglades Restoration Plan (CERP) Program experienced a net reduction of 36 positions for FY2006. Eighteen members of the CERP program staff were reassigned to Modeling and Scientific Support. And, the remaining 18 FTE positions eliminated from CERP were reallocated to other District programs. The redeployment of personnel out of CERP is intended to provide a more accurate portrayal of staffing level requirements for the CERP program.

To better manage local projects, Coastal Watersheds program staffing increased 4 FTEs within the Stormwater Management Division. Redeployment of personnel allocated to the Coastal Watersheds Program within the Coastal Ecosystems Division represented 2 FTEs while other departments reduced their Coastal Watersheds Program efforts, resulting in a net increase of 3 FTEs for FY2006.

Operations and Maintenance gained 1 FTE to support Telemetry Maintenance in the SCADA and Hydro Data Management Department.

District Functions and Major Responsibilities

As stated, the agency's adopted budget for FY2006 includes 1,771 FTE positions. Employees are located at facilities across the District's 16-county jurisdiction to provide the public more direct and responsive access to permitting and other agency functions. District Headquarters are in West Palm Beach, with service centers located in Fort Lauderdale, Fort Myers, Naples, Stuart, Miami, Orlando, Okeechobee and Islamorada. Locations include eight field stations located in Okeechobee, Kissimmee, West Palm Beach, Clewiston, Fort Lauderdale, Naples, Miami and Homestead. The Big Cypress Basin Service Center and Field Station are located in Naples.

The District is a multi-faceted agency with a core mission of providing flood control. Its responsibilities, however, have increased greatly since its creation. The District's functions now incorporate operating and maintaining the C&SF, developing and implementing water supply plans, providing ecosystem research and monitoring, regulating water use, purchasing land for preservation and project construction, and implementing ecosystem restoration plans. In addition, District staff conducts environmental monitoring and assessment, produces public outreach materials, and oversees financial, legal and contractual services. The District has also been charged with integrating, managing and implementing the Everglades Construction Project/Long-Term Plan (ECP/LTP) and the Comprehensive Everglades Restoration Plan (CERP).

Everglades Restoration

The District's current CERP program was created when the Federal Water Resources Development Acts of 1992 and 1996 gave the U.S. Army Corps of Engineers (USACE) the authority to re-evaluate the performance and outcomes of C&SF activities. The plan that resulted from the USACE review and recommendations includes six pilot projects and 56 co-sponsored components spanning 38 years, with costs shared equally between the state and federal government. The program incorporates the capture, storage and redistribution of fresh water previously lost to tide, and the regulation of the quality, quantity, timing and distribution of water flows.

The Everglades Forever Act (EFA) directed the District to acquire the land, design the program, obtain permits and construct a series of Stormwater Treatment Areas (STAs) to reduce phosphorus levels from stormwater run-off and other sources before it enters the Everglades Protection Area. To facilitate this goal, the ECP was established. One of the largest environmental restoration public works projects in the nation, it is estimated to cost approximately \$836.2 million over 20 years. Major funding sources include ad valorem property taxes, agricultural privilege taxes, state land funds, federal funds, Alligator Alley toll revenues and other environmental mitigation funds.



Acceler8 construction symposium

The Everglades restoration plan also includes the Restoration Coordination and Verification program (RECOVER), designed to ensure that high quality science is continuously available during implementation of the overall restoration plan. RECOVER encourages the participation of diverse agencies and stakeholders in adaptive management and ongoing plan refinement.

Operations and Maintenance

Operations and Maintenance (O&M) staff are responsible for routine and emergency operations and maintenance of Works of the District, including the C&SF, the ECP and the evolving CERP. O&M functions include operating and maintaining structures, gates, pump stations, canals and levees in the C&SF project for flood control, and in the Stormwater Treatment Areas for water quality restoration. Also, O&M personnel control nuisance vegetation in all District-managed rights-of-way, canals, lakes and wetlands, and provide continuous surveillance of hydro-meteorological conditions.

District personnel operate and maintain the originally designed C&SF, which is one of the world's largest public works projects. It includes approximately 1,969 miles of canals and levees (1,800 miles in the C&SF Project and 169 miles in the Big Cypress Basin), which are controlled by 500 District water control structures and 50 pump stations used to send water south and through waterways eastward and westward to both coasts. These pumping stations move hundreds of millions of gallons of water in and out of storage areas, providing both water supply and flood protection.

Regulation

The District has a number of regulatory programs designed to protect the region's water resources. Under the state's 1993 environmental streamlining legislation, land alteration activities or works affecting water resources are regulated under one type of permit – the Environmental Resource Permit (ERP). Pursuant to statutory direction, the District and the Florida Department of Environmental Protection (FDEP) have adopted uniform wetland delineation, mitigation banking and environmental resource permitting criteria. The District also regulates the consumptive uses of water. The types of activities regulated by the District include:

- Projects with impacts on wetlands or other surface waters (dredge and fill)
- Surface Water Improvement and Management (SWIM) for the Works of the District
- Use of District lands, canals or levee rights-of-way
- Taking water from lakes, canals, streams or aquifers
- Drainage system construction or operation
- Well construction

Water Resource System

The District is responsible for the following surface water systems:

Upper Chain of Lakes and Kissimmee River

The Upper Chain of Lakes and the Kissimmee River are the northernmost components of the greater Everglades system. The 56-mile channelized (Canal 38) Kissimmee River connects Lake Kissimmee and Lake Okeechobee.

Caloosahatchee River

The Caloosahatchee River stretches 67 miles, from Lake Okeechobee west to the Gulf of Mexico at Fort Myers.

St. Lucie Canal

The St. Lucie Canal is Lake Okeechobee's eastern outlet, extending 25.5 miles from Port Mayaca to the south fork of the St. Lucie River.

Water Conservation Areas

Three Water Conservation Areas (WCA) and the Everglades National Park comprise about 50 percent of the original Everglades. These WCAs are located in the western portions of Palm Beach, Broward and Miami-Dade Counties and encompass 1,337 square miles.

Lake Okeechobee

Lake Okeechobee and its watershed are key components of South Florida's ecosystem. The lake spans 730 square miles and is the second largest freshwater lake located wholly within the United States.

Big Cypress Basin

While currently experiencing rapid growth along the southwest Florida coast, much of the land in the Big Cypress Basin (BCB) is still undeveloped. Included in this natural land area are the Corkscrew Swamp and Sanctuary, the Big Cypress National Preserve, the Florida Panther National Wildlife Refuge, the Fakahatchee Strand, the Corkscrew Regional Ecosystem Watershed (CREW) and the 10,000 Islands.

Additional District Responsibilities

The District's responsibilities extend far beyond regulatory programs, Everglades restoration, water supply planning and implementation, and flood control operations. The following activities also fall within the District's authority:

Land Acquisition

The District acquires, manages and restores lands through Florida's Save Our Rivers (SOR) and Florida Forever land acquisition programs.

Surface Water Improvement and Management

Surface Water Improvement and Management (SWIM) programs are ongoing for Lake Okeechobee, Biscayne Bay and the Indian River Lagoon.

Kissimmee River Restoration

Restoration of the Kissimmee River – the headwaters of the Everglades – is a major District initiative.

Inter-agency Coordination

Partnerships and coordination with other agencies are ongoing and help support water resource development projects, development of alternative water supplies, water conservation, re-use and stormwater management goals.

Research, Data Collection and Analysis

Research, data collection and analysis help ensure District projects and programs are effective and efficient.

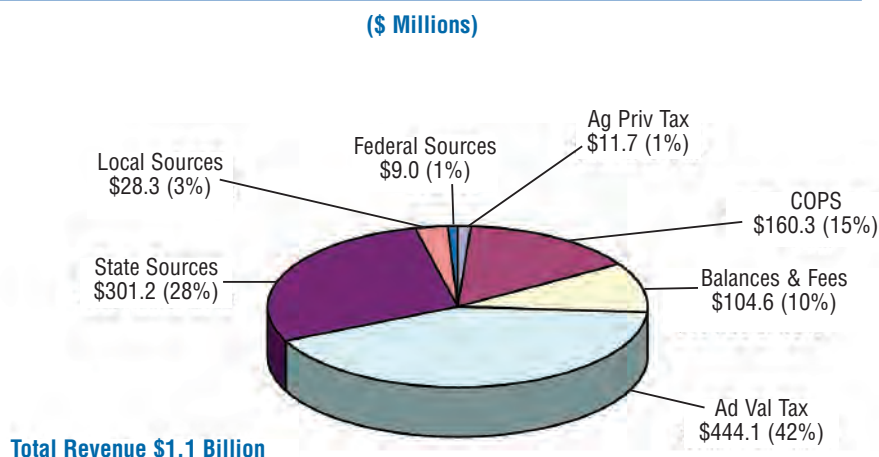
Emergency Operations

Emergency operations and management is a cornerstone of District operations, especially during hurricane season or in times of drought.

Invasive Plant Control

The District is a leader in melaleuca, aquatic weed and other exotic plant control.

Where the Money Comes From



The pie chart above depicts the District's revenue sources and percentage of total revenues each source represents. Estimated revenue sources for FY2006 total \$1.1 billion.

The largest source of District revenue is tax monies raised from Ad Valorem property taxes (\$444.1 million) and Agriculture Privilege taxes (\$11.7 million) which combine to represent 43 percent of the District's funding. Ad Valorem property taxes are determined by applying Governing Board-approved millage rates to taxable value estimates provided by county property appraisers. Agriculture Privilege taxes are assessed on actively farmed agricultural acreage in the Everglades Agricultural Area (EAA) and the C-139 Basin, as mandated by the Everglades Forever Act.

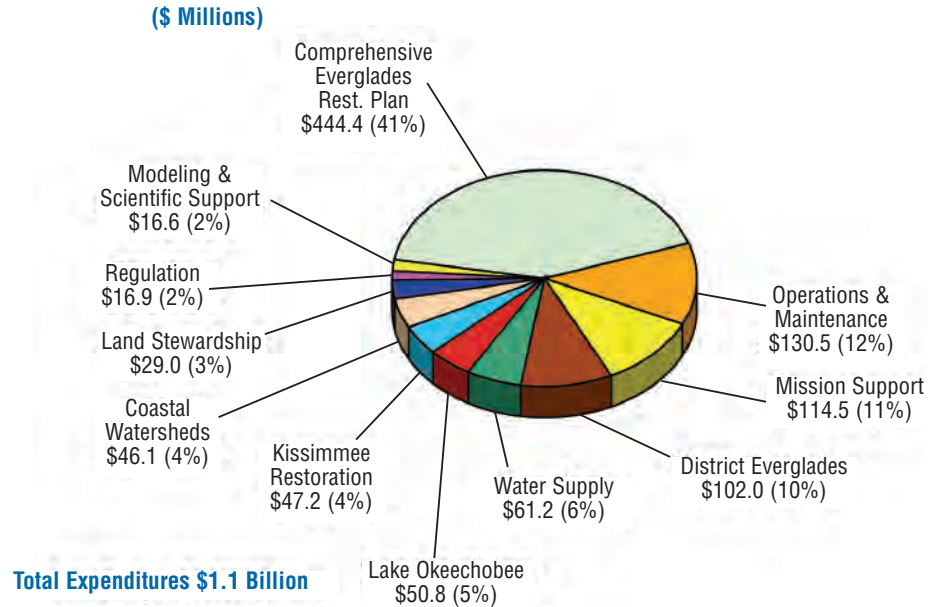
Federal, state and local government funds represent 32 percent (\$338.5 million) of the District's funding sources. The majority of federal funds come from the Federal Emergency Management Agency (FEMA) and the Natural Resource Conservation Service (NRCS). Principal state funds come from the Florida Forever Program and the Save Our Everglades Trust Fund. Local funds are anticipated primarily from Martin County, with additional funding from Florida Inland Navigation District (FIND) and Miami-Dade county.

\$160.3 million or 15 percent of District revenue comes from Certificates of Participation (COPs). Florida statutes define COPs as a type of revenue bond that a water management district may issue "to finance the undertaking of any capital or other project for the purposes permitted by the State Constitution." COPs are statutorily-authorized tax exempt certificates showing participation through ownership of a "share" of lease payments for a capital facility of a government agency. Counties, county school boards and municipalities have been using this type of financing for many years.

The remaining 10 percent of revenue, \$104.6 million, is generated by a combination of available fund balances from FY2005; licenses, permits and fees; and investment income. The licenses, permits and fees revenue includes income from the sale of license tags, regulatory and right-of-way permits or fees, and mitigation projects. The investment earnings are a result of the prudent investment of funds not immediately needed for current operations.

Please see the Financial Overview section of this document for more detailed information on the District's revenue budget.

Where the Money Goes



Anticipated FY2006 expenditures of \$1.1 billion will fund 11 water management programs. 41 percent of funds (\$444.4 million) are allocated to the Comprehensive Everglades Restoration Program (CERP) in FY2006. Following are key activity highlights for each of the District's programs slated for FY2006:

Key Program Highlights

Coastal Watersheds

Funding for Coastal Watersheds represents 4 percent of the District budget at \$46.1 million. FY2006 Work Plan objectives include:

1. Complete technical criteria for minimum flows and levels (MFLs) for South-Central Biscayne Bay.
2. Complete seagrass model development and data analysis for Florida Bay and Florida Keys Feasibility Study water quality model.
3. Complete Surface Water Improvement and Management (SWIM) Plans for Naples Bay and Charlotte Harbor.

District Everglades

Funding for District Everglades represents 10 percent of the District budget at \$102 million. FY2006 Work Plan objectives include:

1. Continue Everglades Forever Act accelerated projects.
2. Complete Stormwater Treatment Area (STA) enhancements.
3. Establish Everglades tree tolerances for hydrologic stress and define water depth and hydrologic needs for marsh species.

Kissimmee Restoration

Funding for Kissimmee Restoration is \$47.2 million, which is approximately 4 percent of the District budget. FY2006 Work Plan objectives include:

1. Complete acquisition of lands needed for Kissimmee restoration.
2. Complete construction/mitigation in lieu of land acquisition.
3. Execute cooperative agreements with St. Cloud and Orange County to develop and complete local water resource partnership projects.

Lake Okeechobee

Funding for Lake Okeechobee is \$50.8 million, which is approximately 5 percent of the District budget. FY2006 Work Plan objectives include:

1. Implement Lake Okeechobee and Estuary Recovery (LOER) plan:
 - Initiate design of Fast Track projects in Taylor Creek/Nubbin Slough basin
 - Work with Corps of Engineers to revise Lake level; design and modeling of forward pumps
 - Identify alternative storage/disposal of excess water
 - Begin process to revise Environmental Resource Permit criteria
2. Design and construct a shallow 800-acre reservoir on the Brighton Seminole Reservation.
3. Treat approximately 2,000 acres of torpedo grass and 500 acres of melaleuca.
4. Control the expansion of cattails into key fisheries habitat.

Modeling & Scientific Support

2 percent of the District budget, \$16.6 million, is allocated for the new Modeling & Scientific Support Program. FY2006 Work Plan objectives include:

1. Complete Regional Simulation Model (RSM) implementation for South Florida.
2. Develop and implement Standardized Modeling Protocols.
3. Complete Water Quality Monitoring Strategic Plan.
4. Production of South Florida Environmental Report.

Regulation

Funding for Regulation represents 2 percent of the District budget at \$16.9 million. FY2006 Work Plan objectives include:

1. Complete Environmental Resource/Water Use e-permitting application system and complete e-noticing.
2. Complete review of an average of 575 environmental resource permit (ERP) applications and conduct an average of 2,125 compliance inspections per quarter.

Water Supply

Funding for Water Supply represents 6 percent of the District budget at \$61.2 million. FY2006 Work Plan objectives include:

1. Implement Five-Year Water Resource Development work program and Floridan model.
2. Continue water conservation efforts including the Mobile Irrigation Lab program and the Water Savings Incentive program.
3. Expand Alternative Water Supply Grant program to implement SB444 requirements.

Operations and Maintenance

Funding for Operations and Maintenance is \$130.5 million, which is approximately 12 percent of the District budget. FY2006 Work Plan objectives include:

1. Initiate construction on 40 capital improvement projects.
2. Maintain approximately 30,000 acres of levees and canal banks.
3. Treat approximately 47,000 acres of aquatics and exotic vegetation.
4. Maintain 1,021 electronic communications sites and install 346 new sites.

Comprehensive Everglades Restoration Plan (CERP)

Funding for CERP is \$444.4 million or 41 percent of the District budget. FY2006 Work Plan objectives include:

1. Continue Acceler8 construction projects.
2. Complete feasibility studies for Southwest Florida and Florida Bay/Florida Keys.
3. Complete critical restoration projects: Ten Mile Creek, Lake Okeechobee Water Retention/Phosphorous Removal, Western Tamiami Trail Culverts, and Southern Corkscrew Regional Ecosystem Watershed/Imperial River Flow-way.

Land Stewardship

Funding for Land Stewardship is \$29 million, which is approximately 3 percent of the District budget. FY2006 Work Plan objectives include:

1. Continue efforts to control exotic plants on nearly 31,000 acres of District lands.
2. Perform prescribed burns for 16,000 acres.
3. Update and revise public use rules for submittal to the State for approval.

Mission Support

Funding for Mission Support is \$114.5 million, which is approximately 11 percent of the District budget. FY2006 Work Plan objectives include:

1. Testing and deployment of new financial and human resource business system.
2. Implement Employee Committee Annual Project Plan.
3. Implement Leadership Development Program.
4. Complete enterprise implementation of enhanced Arc Hydro database.

Please see the Work Plan and Budget section for detailed information on individual programs.